

**VERANDAH EAST
COMMUNITY DEVELOPMENT
DISTRICT**

May 13, 2020

BOARD OF SUPERVISORS

**VIRTUAL PUBLIC
MEETING AGENDA**

Verandah East Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 571-0010•Fax: (561) 561-571-0013•Toll-free: (877) 276-0889

May 6, 2020

Board of Supervisors
Verandah East Community Development District

ATTENDEES: Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.
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Dear Board Members:

The Board of Supervisors of the Verandah East Community Development District will hold a Virtual Public Meeting on May 13, 2020 at 1:00 p.m., via <https://us02web.zoom.us/j/81953911769>, or by dialing **1-929-205-6099** followed by Meeting ID **819 5391 1769**. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments [3 minutes per person]
3. Consideration of Resolution 2020-04, Approving a Proposed Budget for Fiscal Year 2020/2021 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date
4. Consideration of Resolution 2020-05, Implementing Section 190.006(3), Florida Statutes, and Requesting that the Lee County Supervisor of Elections Begin Conducting the District's General Elections; Providing for Compensation; Setting for the Terms of Office; Authorizing Notice of the Qualifying Period; and Providing for Severability and an Effective Date
5. Consideration of Resolution 2020-06, Adopting an Internal Controls Policy Consistent with Section 218.33, Florida Statutes; Providing an Effective Date
6. Discussion/Consideration: SOLitude Lake Management, LLC, Lake and Wetland Maintenance Contract Renewal
7. Acceptance of Unaudited Financial Statements as of March 31, 2020
8. Approval of January 8, 2020 Public Hearing and Regular Meeting Minutes
9. Staff Reports
 - A. District Counsel: *Hopping Green & Sams, P.A.*

- B. District Engineer: *Johnson Engineering, Inc.*
- C. District Manager: *Wrathell, Hunt and Associates, LLC*
- I. 678 Registered Voters in District as of April 15, 2020
- II. NEXT MEETING DATE: August 12, 2020 at 1:00 P.M.

- QUORUM CHECK

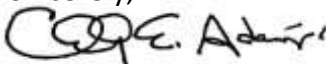
Richard Denis Shields, Jr.	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE
Mark Henry Santasiero	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE
Jacqueline Voiles	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE
David Truxton	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE
David L. Moore	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE

- 10. Supervisors' Requests
- 11. Adjournment

“Further, please be advised that the Florida Governor’s Office has declared a state of emergency due to the Coronavirus (COVID-19). As reported by the Center for Disease Control and World Health Organization, COVID-19 can spread from person-to-person through small droplets from the nose or mouth, including when an individual coughs or sneezes. These droplets may land on objects and surfaces. Other people may contract COVID-19 by touching these objects or surfaces, then touching their eyes, nose or mouth. Therefore, merely cleaning facilities, while extremely important and vital in this crisis, may not be enough to stop the spread of this virus. “

“That said, the District wants to encourage public participation in a safe and efficient manner. Toward that end, anyone wishing to listen and participate in the meeting may do so by accessing <https://us02web.zoom.us/j/81953911769> or by calling **1-929-205-6099**, followed by meeting number **819 5391 1769**. Additionally, participants are encouraged to submit questions and comments to the District’s manager at adamsc@whhassociates.com.”

Should you have any questions, please do not hesitate to contact me directly at (239) 464-7114.

Sincerely,

 Chesley E. Adams, Jr.
 District Manager

OPTIONS FOR MEETING PARTICIPATION

<https://us02web.zoom.us/j/81953911769>

or

CALL-IN NUMBER: 1-929-205-6099

MEETING ID: 819 5391 1769

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

3

RESOLUTION 2020-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT APPROVING PROPOSED BUDGETS FOR FISCAL YEAR 2020/2021 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors ("**Board**") of the Verandah East Community Development District ("**District**") prior to June 15, 2020, proposed budgets ("**Proposed Budget**") for the fiscal year beginning October 1, 2020 and ending September 30, 2021 ("**Fiscal Year 2020/2021**"); and

WHEREAS, the Board has considered the Proposed Budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT:

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2020/2021 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set as follows:

DATE: _____, 2020

HOUR: 1:00 p.m.

The hearing may be conducted remotely, pursuant to _____ media technology and/or by telephone pursuant to Executive Orders 20-52 and 20-69 issued by Governor DeSantis on March 9, 2020, and March 20, 2020, as such orders may be extended, respectively, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*. In the event that conditions allow the meeting to be held in person, it will be held at the following location:

LOCATION: Verandah Sales Office
11571 Verandah Blvd.
Ft. Myers, Florida 33905

3. **TRANSMITTAL OF PROPOSED BUDGET TO LOCAL GENERAL PURPOSE GOVERNMENT.** The District Manager is hereby directed to submit a copy of the Proposed Budget to Lee County at least 60 days prior to the hearing set above.

4. **POSTING OF PROPOSED BUDGET.** In accordance with Section 189.016, *Florida Statutes*, the District's Secretary is further directed to post the approved Proposed Budget on the District's website at least two days before the budget hearing date as set forth in Section 2 and shall remain on the website for at least 45 days.

5. **PUBLICATION OF NOTICE.** Notice of this public hearing shall be published in the manner prescribed in Florida law.

6. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

7. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 13th DAY OF MAY 2020.

ATTEST:

**VERANDAH EAST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By: _____
Its: _____

Exhibit A: Fiscal Year 2020/2021 Proposed Budget

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
PROPOSED BUDGET
FISCAL YEAR 2021
UPDATED MAY 7, 2020**

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
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**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
COMBINED GENERAL FUND BUDGETS
FISCAL YEAR 2021**

	Fiscal Year 2020				Proposed FY 2021 Budget
	Adopted FY 2020 Budget	Actual through 3/31/2020	Projected through 9/30/2020	Total Revenue and Expenditures	
REVENUES					
Assessment levy: on-roll - gross	\$ 340,444				\$ 349,147
Allowable discounts (4%)	(13,618)				(13,966)
Assessment levy: on-roll - net	326,826	\$ 328,494	\$ 9,748	\$ 338,242	335,181
Assessment levy: off-roll	61,453	25,137	25,139	50,276	49,828
Interest and miscellaneous	600	116	484	600	600
Total revenues	388,879	353,747	35,371	389,118	385,609
EXPENDITURES					
Professional & admin					
Supervisors	5,000	1,800	3,200	5,000	7,000
Management and accounting	124,960	62,480	62,480	124,960	124,960
Audit	14,900	14,900	-	14,900	14,900
Legal	10,000	10,591	-	10,591	10,000
Field management	21,163	10,582	10,581	21,163	21,163
Engineering	5,000	2,464	2,536	5,000	5,000
Trustee	10,000	5,375	4,625	10,000	10,000
Dissemination agent	8,280	4,140	4,140	8,280	8,280
Arbitrage rebate calculation	3,000	-	3,000	3,000	3,000
Assessment roll preparation	24,000	24,000	-	24,000	24,000
Telephone	775	387	388	775	775
Postage	500	237	263	500	500
Insurance	13,030	12,386	644	13,030	13,030
Printing & binding	1,614	807	807	1,614	1,614
Legal advertising	1,500	1,213	287	1,500	1,500
Office expenses & supplies	250	-	250	250	250
Website	1,410	705	705	1,410	1,410
ADA website compliance	400	199	201	400	400
Contingencies	1,500	675	825	1,500	1,500
Annual district filing fee	350	350	-	350	350
Total professional & admin	247,632	153,291	94,932	248,223	249,632
Water management					
Contractual services	115,000	47,985	67,015	115,000	115,000
Aquascaping/pipe cleanout	5,000	-	5,000	5,000	5,000
Utilities	-	-	-	-	3,000
Contingencies	15,000	213	7,000	7,213	6,000
Hurricane clean up	-	-	-	-	-
Total water management	135,000	48,198	79,015	127,213	129,000

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
COMBINED GENERAL FUND BUDGETS
FISCAL YEAR 2021**

	Fiscal Year 2020			Total Revenue and Expenditures	Proposed FY 2021 Budget
	Adopted FY 2020 Budget	Actual through 3/31/2020	Projected through 9/30/2020		
Other fees and charges					
Property appraiser	1,740	1,505	235	1,740	1,740
Tax collector	5,107	2,182	2,925	5,107	5,237
Total other fees and charges	6,847	3,687	3,160	6,847	6,977
Total expenditures	389,479	205,176	177,107	382,283	385,609
Net increase/(decrease) of fund balance	(600)	148,571	(141,736)	6,835	-
Fund balance - beginning (unaudited)	100,333	138,983	287,554	138,983	145,818
Fund balance - ending (projected)	<u>\$ 99,733</u>	<u>\$ 287,554</u>	<u>\$ 145,818</u>	<u>\$ 145,818</u>	<u>\$ 145,818</u>

Combined Assessment Summary				
Description	Units	FY 2020 Assessment	Proposed Assessment	Total Revenue
On-roll	1,511.00	\$ 233.18	\$ 231.07	\$ 349,146.77
Off-roll	229.40	219.16	217.21	49,827.97
Total units:	<u>1,740.40</u>		Total revenue:	<u>398,974.74</u>

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Supervisors	\$ 7,000
<p>Statutorily set at \$200 for each meeting of the Board of Supervisors not to exceed \$4,800 for each fiscal year. The District anticipates four (4) meetings and all five (5) Board Members receiving fees.</p>	
Management and accounting	124,960
<p>Wrathell, Hunt and Associates, LLC specializes in managing Community Development Districts in the State of Florida by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all governmental requirements of the Districts, develop financing programs, oversee the issuance of tax exempt bonds, and operate and maintain the assets of the community.</p>	
Audit Fees	14,900
<p>The Districts are required to complete annual, independent examinations of their accounting records and procedures. These audits are conducted pursuant to Florida law and the rules of the Florida Auditor General.</p>	
Legal	10,000
<p>The District's attorney provides on-going general counsel and legal representation. He handles issues relating to public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts.</p>	
Field management	21,163
<p>Wrathell, Hunt & Associates, LLC is responsible for day-to-day field operations. These responsibilities include, but are not limited to, preparing and bidding services, contract administration, hiring and maintaining qualified personnel, preparing operating schedules and policies, ensuring compliance with operating permits, preparing and implementing field operating budgets, providing District-related information to the public and attending board meetings.</p>	
Engineering	5,000
<p>Johnson Engineering provides an array of engineering and consulting services to the Districts, assisting in developing infrastructure and improvement-related solutions for them in addition to advising the Districts on facility maintenance.</p>	
Trustee	10,000
<p>Annual fees paid to U.S. Bank for acting as trustee, paying agent and registrar.</p>	
Dissemination agent	8,280
<p>The Districts must annually disseminate financial information in order to comply with the requirements of Rule 15c2-12 under the Securities & Exchange Act of 1934.</p>	
Arbitrage rebate calculation	3,000
<p>To ensure the Districts' compliance with all tax regulations, annual computations are necessary to calculate arbitrage rebate liability.</p>	
Assessment roll preparation	24,000
<p>The Districts have contracts with AJC Associates, Inc., to prepare the annual assessment rolls.</p>	
Telephone	775
<p>Telephone and fax machine services.</p>	
Postage	500
<p>Mailing of agenda packages, overnight deliveries, correspondence, etc.</p>	
Insurance	13,030
<p>The Districts carry public officials liability and general liability insurance. Each District has a general liability insurance limit of \$1,000,000 (\$2,000,000 general aggregate) and a public officials liability limit of \$1,000,000.</p>	

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES (continued)

Printing & binding	1,614
Letterhead, envelopes, copies, etc.	
Legal advertising	1,500
Required advertisements for monthly meetings, special meetings, public hearings, bidding, etc.	
Office expenses & supplies	250
Administrative and accounting supplies.	
Website	1,410
ADA website compliance	400
Contingencies	1,500
Bank charges and miscellaneous expenses incurred throughout the year.	
Annual district filing fee	350
Annual fee paid to the Department of Economic Opportunity.	
Contractual services	115,000
Contracts entered into by the Districts for water management related professional services.	
Aquascaping/pipe cleanout	5,000
Expenses incurred relating to supplemental lake littoral plantings and lake interconnect pipe	
Utilities	3,000
Covers the costs of Electricity for CDD aerators.	
Contingencies	6,000
Miscellaneous water management expenses incurred throughout the year.	
Property appraiser	1,740
The property appraiser's fee is \$1.00 per parcel.	
Tax collector	5,237
The tax collector's fee is 1.5% of assessments collected.	
Total expenditures	385,609

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2021**

	Fiscal Year 2020			Total Revenue and Expenditures	Proposed FY 2021 Budget
	Adopted FY 2020 Budget	Actual through 3/31/2020	Projected through 9/30/2020		
REVENUES					
Assessment levy: on-roll - gross	\$ 134,078				\$ 144,651
Allowable discounts (4%)	(5,363)				(5,786)
Assessment levy: on-roll - net	128,715	\$ 138,433	\$ 1,699	\$ 140,132	138,865
Assessment levy: off-roll	42,299	15,560	15,561	31,121	30,844
Interest and miscellaneous	265	53	212	265	265
Total revenues	<u>171,279</u>	<u>154,046</u>	<u>17,472</u>	<u>171,518</u>	<u>169,974</u>
EXPENDITURES					
Professional & admin					
Supervisors	2,206	794	1,412	2,206	3,089
Management and accounting	55,142	27,571	27,571	55,142	55,142
Audit	6,575	6,575	-	6,575	6,575
Legal	4,413	4,674	-	4,674	4,413
Field management	9,339	4,670	4,669	9,339	9,339
Engineering	2,206	1,087	1,119	2,206	2,206
Trustee	4,413	2,372	2,041	4,413	4,413
Dissemination agent	3,654	1,827	1,827	3,654	3,654
Arbitrage rebate calculation	1,324	-	1,324	1,324	1,324
Assessment roll preparation	10,591	10,591	-	10,591	10,591
Telephone	342	171	171	342	342
Postage	221	105	116	221	221
Insurance	5,750	5,466	284	5,750	5,750
Printing & binding	712	356	356	712	712
Legal advertising	662	535	127	662	662
Office expenses & supplies	110	-	110	110	110
Website	622	311	311	622	622
ADA website compliance	177	88	89	177	177
Contingencies	662	356	306	662	662
Annual district filing fee	154	154	-	154	154
Total professional & admin	<u>109,275</u>	<u>67,703</u>	<u>41,833</u>	<u>109,536</u>	<u>110,158</u>
Water management					
Contractual services	50,747	21,176	29,571	50,747	50,747
Aquascaping/Pipe Cleanout	2,206	-	2,206	2,206	2,206
Utilities	-	-	-	-	1,324
Contingencies	6,619	94	3,000	3,094	2,648
Total water management	<u>59,572</u>	<u>21,270</u>	<u>34,777</u>	<u>56,047</u>	<u>56,925</u>

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2021**

	Fiscal Year 2020			Total Revenue and Expenditures	Proposed FY 2021 Budget
	Adopted FY 2020 Budget	Actual through 3/31/2020	Projected through 9/30/2020		
Other fees and charges					
Property appraiser	685	664	21	685	721
Tax collector	2,011	900	1,111	2,011	2,170
Total other fees and charges	<u>2,696</u>	<u>1,564</u>	<u>1,132</u>	<u>2,696</u>	<u>2,891</u>
Total expenditures	<u>171,543</u>	<u>90,537</u>	<u>77,742</u>	<u>168,279</u>	<u>169,974</u>
Net increase/(decrease) of fund balance	(264)	63,509	(60,270)	3,239	-
Fund balance - beginning (unaudited)	16,409	29,924	93,433	29,924	33,163
Fund balance - ending (projected)	<u>\$ 16,145</u>	<u>\$ 93,433</u>	<u>\$ 33,163</u>	<u>\$ 33,163</u>	<u>\$ 33,163</u>

Assessment Summary

Description	Units	FY 2020 Assessment	Proposed Assessment	Total Revenue
On-roll	626.00	\$ 233.18	\$ 231.07	\$ 144,649.82
Off-roll	142.00	219.16	217.21	30,843.82
Total units:	<u>768.00</u>		Total revenue:	<u>\$ 175,493.64</u>

**VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2021**

	Fiscal Year 2020			Total Revenue and Expenditures	Proposed FY 2021 Budget
	Adopted FY 2020 Budget	Actual through 3/31/2020	Projected through 9/30/2020		
REVENUES					
Assessment levy: on-roll - gross	\$ 206,365				\$ 204,496
Allowable discounts (4%)	(8,255)				(8,180)
Assessment levy: on-roll - net	198,110	\$ 190,061	\$ 8,049	\$ 198,110	196,316
Assessment levy: off-roll	19,155	9,577	9,578	19,155	18,984
Interest and miscellaneous	335	63	272	335	335
Total revenues	<u>217,600</u>	<u>199,701</u>	<u>17,899</u>	<u>217,600</u>	<u>215,635</u>
EXPENDITURES					
Professional & admin					
Supervisors	2,794	1,006	1,788	2,794	3,911
Management and accounting	69,818	34,909	34,909	69,818	69,818
Audit	8,325	8,325	-	8,325	8,325
Legal	5,587	5,917	-	5,917	5,587
Field management	11,824	5,912	5,912	11,824	11,824
Engineering	2,794	1,377	1,417	2,794	2,794
Trustee	5,587	3,003	2,584	5,587	5,587
Dissemination agent	4,626	2,313	2,313	4,626	4,626
Arbitrage rebate calculation	1,676	-	1,676	1,676	1,676
Assessment roll preparation	13,409	13,409	-	13,409	13,409
Telephone	433	216	217	433	433
Postage	279	132	147	279	279
Insurance	7,280	6,920	360	7,280	7,280
Printing & binding	902	451	451	902	902
Legal advertising	838	678	160	838	838
Office expenses & supplies	140	-	140	140	140
Website	788	394	394	788	788
ADA website compliance	223	111	112	223	223
Contingencies	838	319	519	838	838
Annual district filing fee	196	196	-	196	196
Total professional & admin fees	<u>138,357</u>	<u>85,588</u>	<u>53,099</u>	<u>138,687</u>	<u>139,474</u>
Water management					
Contractual services	64,253	26,809	37,444	64,253	64,253
Aquascaping/Pipe Cleanout	2,794	-	2,794	2,794	2,794
Utilities	-	-	-	-	1,676
Contingencies	8,381	119	4,000	4,119	3,352
Total water management	<u>75,428</u>	<u>26,928</u>	<u>44,238</u>	<u>71,166</u>	<u>72,075</u>

**VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2021**

	Fiscal Year 2020			Total Revenue and Expenditures	Proposed FY 2021 Budget
	Adopted FY 2020 Budget	Actual through 3/31/2020	Projected through 9/30/2020		
Other fees and charges					
Property appraiser	1,055	841	214	1,055	1,019
Tax collector	3,096	1,282	1,814	3,096	3,067
Total other fees and charges	<u>4,151</u>	<u>2,123</u>	<u>2,028</u>	<u>4,151</u>	<u>4,086</u>
Total expenditures	<u>217,936</u>	<u>114,639</u>	<u>99,365</u>	<u>214,004</u>	<u>215,635</u>
Net Increase/(decrease) of fund balance	(336)	85,062	(81,466)	3,596	-
Fund balance - beginning (unaudited)	83,924	109,059	194,121	109,059	112,655
Fund balance - ending (projected)	<u>\$ 83,588</u>	<u>\$ 194,121</u>	<u>\$ 112,655</u>	<u>\$ 112,655</u>	<u>\$ 112,655</u>

Assessment Summary

Description	Units	FY 2020 Assessment	Proposed Assessment	Total Revenue
On-roll	885.00	\$ 233.18	\$ 231.07	\$ 204,496.95
Off-roll	87.40	219.16	217.21	18,984.15
Total units:	<u>972.40</u>		Total revenue:	<u>\$ 223,481.10</u>

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND - SERIES 2016 BONDS
FISCAL YEAR 2021**

	Fiscal Year 2020			Total Revenue & Expenditures	Proposed FY 2021 Budget
	Adopted FY 2020 Budget	Actual through 3/31/2020	Projected through 9/30/2020		
REVENUES					
Assessment levy: on-roll - gross	\$ 1,188,999				\$ 1,271,415
Allowable discounts (4%)	(47,560)				(50,857)
Assessment levy: on-roll - net	1,141,439	\$ 1,197,739	\$ 22,819	\$ 1,220,558	1,220,558
Assessment levy: off-roll	304,444	56,216	167,862	224,078	224,898
Interest	-	6,341	-	6,341	-
Total revenues	<u>1,445,883</u>	<u>1,260,296</u>	<u>190,681</u>	<u>1,450,977</u>	<u>1,445,456</u>
EXPENDITURES					
Debt service					
Principal	730,000	-	730,000	730,000	760,000
Interest	735,131	367,566	367,565	735,131	710,494
Prepayment	-	-	-	-	-
Total debt service	<u>1,465,131</u>	<u>367,566</u>	<u>1,097,565</u>	<u>1,465,131</u>	<u>1,470,494</u>
Excess/(deficiency) of revenues over/(under) expenditures	(19,248)	892,730	(906,884)	(14,154)	(25,038)
Fund balance:					
Net increase/(decrease) in fund balance	(19,248)	892,730	(906,884)	(14,154)	(25,038)
Beginning fund balance (unaudited)	821,551	854,273	1,747,003	854,273	840,119
Ending fund balance (projected)	<u>\$ 802,303</u>	<u>\$ 1,747,003</u>	<u>\$ 840,119</u>	<u>\$ 840,119</u>	<u>815,081</u>
Use of fund balance					
Debt service reserve account balance (Required)					(375,000)
Interest expense - November 1, 2021					(342,422)
Projected fund balance surplus/(deficit) as of September 30, 2021					<u>\$ 97,659</u>

Verandah East
Community Development District
Series 2016
\$20,615,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2020	-	-	355,246.88	355,246.88
05/01/2021	760,000.00	3.375%	355,246.88	1,115,246.88
11/01/2021	-	-	342,421.88	342,421.88
05/01/2022	785,000.00	3.750%	342,421.88	1,127,421.88
11/01/2022	-	-	327,703.13	327,703.13
05/01/2023	815,000.00	3.750%	327,703.13	1,142,703.13
11/01/2023	-	-	312,421.88	312,421.88
05/01/2024	845,000.00	3.750%	312,421.88	1,157,421.88
11/01/2024	-	-	296,578.13	296,578.13
05/01/2025	880,000.00	3.750%	296,578.13	1,176,578.13
11/01/2025	-	-	280,078.13	280,078.13
05/01/2026	910,000.00	3.750%	280,078.13	1,190,078.13
11/01/2026	-	-	263,015.63	263,015.63
05/01/2027	950,000.00	4.000%	263,015.63	1,213,015.63
11/01/2027	-	-	244,015.63	244,015.63
05/01/2028	985,000.00	4.000%	244,015.63	1,229,015.63
11/01/2028	-	-	224,315.63	224,315.63
05/01/2029	1,025,000.00	4.000%	224,315.63	1,249,315.63
11/01/2029	-	-	203,815.63	203,815.63
05/01/2030	1,065,000.00	4.000%	203,815.63	1,268,815.63
11/01/2030	-	-	182,515.63	182,515.63
05/01/2031	1,105,000.00	4.000%	182,515.63	1,287,515.63
11/01/2031	-	-	160,415.63	160,415.63
05/01/2032	1,155,000.00	4.125%	160,415.63	1,315,415.63
11/01/2032	-	-	136,593.75	136,593.75
05/01/2033	1,200,000.00	4.125%	136,593.75	1,336,593.75
11/1/2033	-	-	111,843.75	111,843.75
5/1/2034	1,250,000.00	4.125%	111,843.75	1,361,843.75
11/1/2034	-	-	86,062.50	86,062.50
5/1/2035	1,305,000.00	4.250%	86,062.50	1,391,062.50
11/1/2035	-	-	58,331.25	58,331.25
5/1/2036	1,355,000.00	4.250%	58,331.25	1,413,331.25
11/1/2036	-	-	29,537.50	29,537.50
5/1/2037	1,390,000.00	4.250%	29,537.50	1,419,537.50
Total	\$17,780,000.00	-	\$7,229,825.12	\$25,009,825.12

**VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND - SERIES 2013 BONDS**

	Fiscal Year 2019				Proposed FY 2021 Budget
	Adopted FY 2020 Budget	Actual through 3/31/2020	Projected through 9/30/2020	Total Revenue & Expenditures	
REVENUES					
Assessment levy: on-roll - gross	\$ 950,902				\$ 950,902
Allowable discounts (4%)	(38,036)				(38,036)
Assessment levy: on-roll - net	912,866	\$ 869,992	\$ 42,873	\$ 912,865	912,866
Assessment levy: off-roll	335,976	80,343	255,633	335,976	334,856
Interest	-	5,383	-	5,383	-
Total revenues	<u>1,248,842</u>	<u>955,718</u>	<u>298,506</u>	<u>1,254,224</u>	<u>1,247,722</u>
EXPENDITURES					
Debt service					
Principal	650,000	-	650,000	650,000	675,000
Interest	595,850	297,900	297,925	595,825	566,700
Prepayment	-	-	65,000	65,000	-
Total expenditures	<u>1,245,850</u>	<u>297,900</u>	<u>1,012,925</u>	<u>1,310,825</u>	<u>1,241,700</u>
Excess/(deficiency) of revenues over/(under) expenditures	2,992	657,818	(714,419)	(56,601)	6,022
Fund balance:					
Net increase/(decrease) in fund balance	2,992	657,818	(714,419)	(56,601)	6,022
Beginning fund balance (unaudited)	685,942	732,802	1,390,620	732,802	676,201
Ending fund balance (projected)	<u>\$ 688,934</u>	<u>\$ 1,390,620</u>	<u>\$ 676,201</u>	<u>\$ 676,201</u>	<u>682,223</u>
Use of fund balance					
Debt service reserve account balance (required)					(448,350)
Interest expense - November 1, 2021					(269,850)
Projected fund balance surplus/(deficit) as of September 30, 2021					<u>\$ (35,977)</u>

Verandah West

Community Development District

Series 2013

\$15,920,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2020	-	-	283,350.00	283,350.00
05/01/2021	675,000.00	4.000%	283,350.00	958,350.00
11/01/2021	-	-	269,850.00	269,850.00
05/01/2022	700,000.00	4.000%	269,850.00	969,850.00
11/01/2022	-	-	255,850.00	255,850.00
05/01/2023	730,000.00	4.000%	255,850.00	985,850.00
11/01/2023	-	-	241,250.00	241,250.00
05/01/2024	765,000.00	5.000%	241,250.00	1,006,250.00
11/01/2024	-	-	222,125.00	222,125.00
05/01/2025	800,000.00	5.000%	222,125.00	1,022,125.00
11/01/2025	-	-	202,125.00	202,125.00
05/01/2026	845,000.00	5.000%	202,125.00	1,047,125.00
11/01/2026	-	-	181,000.00	181,000.00
05/01/2027	885,000.00	5.000%	181,000.00	1,066,000.00
11/01/2027	-	-	158,875.00	158,875.00
05/01/2028	930,000.00	5.000%	158,875.00	1,088,875.00
11/01/2028	-	-	135,625.00	135,625.00
05/01/2029	980,000.00	5.000%	135,625.00	1,115,625.00
11/01/2029	-	-	111,125.00	111,125.00
05/01/2030	1,030,000.00	5.000%	111,125.00	1,141,125.00
11/01/2030	-	-	85,375.00	85,375.00
05/01/2031	1,080,000.00	5.000%	85,375.00	1,165,375.00
11/01/2031	-	-	58,375.00	58,375.00
05/01/2032	1,140,000.00	5.000%	58,375.00	1,198,375.00
11/01/2032	-	-	29,875.00	29,875.00
05/01/2033	1,195,000.00	5.000%	29,875.00	1,224,875.00
Total	\$11,755,000.00	-	\$4,469,600.00	\$16,224,600.00

**Verandah East
Community Development District
Projected Assessments
Fiscal Year 2020-2021
2016 Series Bonds**

PRELIMINARY

**Lee County
16 years remaining**

Neighborhoods	Parcel #	Bond Designation	Debt Service Assessment	O & M Assessment	Total Assessment	Outstanding Principal after 2020-2021 tax payment
Arlington Oaks	119	SF 100-1	\$ 3,755.00	\$ 231.07	\$ 3,986.07	\$ 42,584.96
Brantley Oaks	117	SF 100-2	3,500.00	231.07	3,731.07	39,687.19
Whispering Oaks	118	SF-100-2	3,500.00	231.07	3,731.07	39,687.19
Torey Pines	127S	SF-85-1	2,963.00	231.07	3,194.07	33,577.26
Cedar Hammock	124	SF 85-2	2,600.00	231.07	2,831.07	29,481.90
Palmetto Grove	120	SF 70-2	2,000.00	231.07	2,231.07	22,662.16
Sabal Point	121	SF 70-3	1,400.00	231.07	1,631.07	15,874.87
Otter Bend	123	Villa 60-1	1,600.00	231.07	1,831.07	18,142.71
Citrus Creek	122	Villa 60-2	1,300.00	231.07	1,531.07	14,740.85
Woodhaven	126	Villa 60-3	2,000.00	231.07	2,231.07	22,662.16
Willow Bend	128	SF 50	1,616.00	231.07	1,847.07	18,330.75
Ambewind Cove	132	SF 50	1,616.00	231.07	1,847.07	18,330.75
Heritage Preserve	131	SF 50	1,616.00	231.07	1,847.07	18,330.75
Magnolia Pointe	129/130	SF 50	1,616.00	231.07	1,847.07	18,330.75
Edgewater Trace	127N	SF 50	1,616.00	231.07	1,847.07	18,330.75
Willow Ridge	132	SF 50	1,616.00	231.07	1,847.07	18,330.75
Fairway Cove	125	SF 50	1,616.00	231.07	1,847.07	18,330.75

Fiscal Year 2019 - 2020 assessments:						
		SF 100-1	\$ 3,755.00	\$ 233.18	\$ 3,988.18	\$ 44,448.08
		SF 100-2	3,500.00	233.18	3,733.18	41,423.53
		SF 85-1	2,963.00	233.18	3,196.18	35,046.28
		SF 85-2	2,600.00	233.18	2,833.18	30,771.75
		SF 70-2	2,000.00	233.18	2,233.18	23,653.65
		SF 70-3	1,400.00	233.18	1,633.18	16,569.41
		Villa 60-1	1,600.00	233.18	1,833.18	18,936.47
		Villa 60-2	1,300.00	233.18	1,533.18	15,916.43
		Villa 60-3	2,000.00	233.18	2,233.18	23,653.65
		SF 50	1,616.00	233.18	1,849.18	19,132.74

**Verandah West
Community Development District
Projected Assessments
Fiscal Year 2020-2021
2013 Series**

PRELIMINARY

**Lee County
12 years remaining**

Neighborhoods	Bond Designation	Debt Service Assessment	O & M Assessment	Total Assessment	Outstanding Principal after 2020-2021 tax payment
Hammock Creek	River Village	\$ 2,245.81	\$ 231.07	\$ 2,476.88	\$ 19,107.74
Oak Bend	River Village	2,245.81	231.07	2,476.88	19,107.74
Sanctuary Pointe	Custom SF 100	2,245.81	231.07	2,476.88	19,107.74
Shadetree Pointe	Custom SF 100	2,245.81	231.07	2,476.88	19,107.74
Mossy Oak	Custom SF 100	2,245.81	231.07	2,476.88	19,107.74
Cypress Marsh	Custom SF 85	1,641.22	231.07	1,872.29	13,963.79
River Point	Custom SF 85	1,641.22	231.07	1,872.29	13,963.79
Winding River West	Production 70-1 (NO BUYDOWN)	1,628.14	231.07	1,859.21	14,385.30
Shady Bend	Production 70-2	1,122.91	231.07	1,353.98	9,553.87
Royal Palm (Lots 1-11, 22-25)	Single Family 65	1,042.70	231.07	1,273.77	8,871.45
Royal Palm (Lots 12-21)	Single Family 50	777.43	231.07	1,008.50	6,614.46
Orange Tree Bend	SF 60/Villa 55	950.17	231.07	1,181.24	8,084.17
Bramble Cove	Villa 50	777.43	231.07	1,008.50	6,614.46
Lakeview	Villa 50	777.43	231.07	1,008.50	6,614.46
Preserves Edge	Villa 50	777.43	231.07	1,008.50	6,614.46
Idlewild	Coach Home - L	580.46	231.07	811.53	4,938.62
Pebblebrook	Coach Home - L	580.46	231.07	811.53	4,938.62
Cottonwood Bend	Town Homes	518.32	231.07	749.39	4,409.91

Fiscal year 2019 - 2020 assessments:	River Village	\$ 2,245.81	\$ 233.18	\$ 2,478.99	\$ 20,386.44
	Custom SF 100	2,245.81	233.18	2,478.99	20,386.44
	Custom SF 85	1,641.22	233.18	1,874.40	14,898.25
	Production 70-1	1,628.14	233.18	1,861.32	15,347.97
	Production 70-2	1,122.91	233.18	1,356.09	10,193.22
	Single Family 65	1,042.70	233.18	1,275.88	9,465.13
	Single Family 50	777.43	233.18	1,010.61	7,057.10
	SF 60/Villa 55	950.17	233.18	1,183.35	8,625.16
	Villa 50	777.43	233.18	1,010.61	7,057.10
	Coach Home - L	580.46	233.18	813.64	5,269.11
	Town Homes	518.32	233.18	751.50	4,705.03

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

4

RESOLUTION 2020-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT IMPLEMENTING SECTION 190.006(3), FLORIDA STATUTES, AND REQUESTING THAT THE LEE COUNTY SUPERVISOR OF ELECTIONS BEGIN CONDUCTING THE DISTRICT'S GENERAL ELECTIONS; PROVIDING FOR COMPENSATION; SETTING FOR THE TERMS OF OFFICE; AUTHORIZING NOTICE OF THE QUALIFYING PERIOD; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS, the Verandah East Community Development District ("District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within Lee County, Florida; and

WHEREAS, the Board of Supervisors of Verandah East Community Development District ("Board") seeks to implement section 190.006(3), Florida Statutes, and to instruct the Lee County Supervisor of Elections ("Supervisor") to conduct the District's General Elections ("General Election").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT:

1. **GENERAL ELECTION SEATS.** Seat 3, currently held by Jacqueline Voiles, Seat 4, currently held by David Truxton, and Seat 5, currently held by David Moore, are scheduled for the General Election in November 2020. The District Manager is hereby authorized to notify the Supervisor of Elections as to what seats are subject to General Election for the current election year, and for each subsequent election year.

2. **QUALIFICATION PROCESS.** For each General Election, all candidates shall qualify for individual seats in accordance with Section 99.061, *Florida Statutes*, and must also be a qualified elector of the District. A qualified elector is any person at least 18 years of age who is a citizen of the United States, a legal resident of the State of Florida and of the District, and who is registered to vote with the Lee County Supervisor of Elections. Campaigns shall be conducted in accordance with Chapter 106, *Florida Statutes*.

3. **COMPENSATION.** Members of the Board receive \$200 per meeting for their attendance and no Board member shall receive more than \$4,800 per year.

4. **TERM OF OFFICE.** The term of office for the individuals to be elected to the Board in the General Election is four years. The newly elected Board members shall assume office on the second Tuesday following the election.

5. **REQUEST TO SUPERVISOR OF ELECTIONS.** The District hereby requests the Supervisor to conduct the District's General Election in November 2020, and for each subsequent General Election unless otherwise directed by the District's Manager. The District understands that it will be responsible to pay for its proportionate share of the General Election cost and agrees to pay same within a reasonable time after receipt of an invoice from the Supervisor.

6. **PUBLICATION.** The District Manager is directed to publish a notice of the qualifying period for each General Election, in a form substantially similar to **Exhibit A** attached hereto.

7. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

8. **EFFECTIVE DATE.** This Resolution shall become effective upon its passage.

PASSED AND ADOPTED THIS 13th DAY OF MAY 2020.

**VERANDAH EAST COMMUNITY DEVELOPMENT
DISTRICT**

CHAIR/VICE CHAIR, BOARD OF SUPERVISORS

ATTEST:

SECRETARY/ASSISTANT SECRETARY

Exhibit A

NOTICE OF QUALIFYING PERIOD FOR CANDIDATES FOR THE BOARD OF SUPERVISORS OF THE
VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT

Notice is hereby given that the qualifying period for candidates for the office of Supervisor of the Verandah East Community Development District will commence at noon on June 8, 2020, and close at noon on June 12, 2020. Candidates must qualify for the office of Supervisor with the Lee County Supervisor of Elections located at 2480 Thompson Street, Third Floor, Fort Myers, Florida 33901, (239) 533-8683. All candidates shall qualify for individual seats in accordance with Section 99.061, Florida Statutes, and must also be a qualified elector of the District. A qualified elector is any person at least 18 years of age who is a citizen of the United States, a legal resident of the State of Florida and of the District, and who is registered to vote with the Lee County Supervisor of Elections. Campaigns shall be conducted in accordance with Chapter 106, Florida Statutes.

The Verandah East Community Development District has three (3) seats up for election, specifically seats 3, 4 and 5. Each seat carries a four-year term of office. Elections are nonpartisan and will be held at the same time as the general election on November 3, 2020, in the manner prescribed by law for general elections.

For additional information, please contact the Lee County Supervisor of Elections.

District Manager
Verandah East Community Development District

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

5

RESOLUTION 2020-06

A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT ADOPTING AN INTERNAL CONTROLS POLICY CONSISTENT WITH SECTION 218.33, FLORIDA STATUTES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Verandah East Community Development District (the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Lee County, Florida; and

WHEREAS, consistent with Section 218.33, *Florida Statutes*, the District is statutorily required to establish and maintain internal controls designed to prevent and detect fraud, waste, and abuse as defined in Section 11.45(1), *Florida Statutes*; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets; and

WHEREAS, to demonstrate compliance with Section 218.33, *Florida Statutes*, the District desires to adopt by resolution the Internal Controls Policy attached hereto as **Exhibit A**.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. The attached Internal Controls Policy attached hereto as **Exhibit A** is hereby adopted pursuant to this Resolution.

SECTION 2. If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 3. This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED THIS 13th DAY OF MAY 2020.

ATTEST:

**VERANDAH EAST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

EXHIBIT "A"

VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT INTERNAL CONTROLS POLICY

1. Purpose.

- 1.1. The purpose of this internal controls policy is to establish and maintain internal controls for the Verandah East Community Development District.
- 1.2. Consistent with Section 218.33(3), *Florida Statutes*, the internal controls adopted herein are designed to:
 - 1.2.1. Prevent and detect Fraud, Waste, and Abuse (as hereinafter defined).
 - 1.2.2. Promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.
 - 1.2.3. Support economical and efficient operations.
 - 1.2.4. Ensure reliability of financial records and reports.
 - 1.2.5. Safeguard Assets (as hereinafter defined).

2. Definitions.

- 2.1. "Abuse" means behavior that is deficient or improper when compared with behavior that a prudent person would consider a reasonable and necessary operational practice given the facts and circumstances. The term includes the misuse of authority or position for personal gain.
- 2.2. "Assets" means District assets such as cash or other financial resources, supplies, inventories, equipment and other fixed assets, real property, intellectual property, or data.
- 2.3. "Auditor" means the independent auditor (and its employees) retained by the District to perform the annual audit required by state law.
- 2.4. "Board" means the Board of Supervisors for the District.
- 2.5. "District Management" means (i) the independent contractor (and its employees) retained by the District to provide professional district management services to the District and (ii) any other independent contractor (and its employees) separately

retained by the District to provide amenity management services, provided said services include a responsibility to safeguard and protect Assets.

- 2.6. "Fraud" means obtaining something of value through willful misrepresentation, including, but not limited to, intentional misstatements or intentional omissions of amounts or disclosures in financial statements to deceive users of financial statements, theft of an entity's assets, bribery, or the use of one's position for personal enrichment through the deliberate misuse or misapplication of an organization's resources.
- 2.7. "Internal Controls" means systems and procedures designed to prevent and detect fraud, waste, and abuse; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets.
- 2.8. "Risk" means anything that could negatively impact the District's ability to meet its goals and objectives. The term includes strategic, financial, regulatory, reputational, and operational risks.
- 2.9. "Waste" means the act of using or expending resources unreasonably, carelessly, extravagantly, or for no useful purpose.

3. Control Environment.

3.1. Ethical and Honest Behavior.

- 3.1.1. District Management is responsible for maintaining a work environment that promotes ethical and honest behavior on the part of all employees, contractors, vendors and others.
- 3.1.2. Managers at all levels must behave ethically and communicate to employees and others that they are expected to behave ethically.
- 3.1.3. Managers must demonstrate through words and actions that unethical behavior will not be tolerated.

4. Risk Assessment.

- 4.1. Risk Assessment. District Management is responsible for assessing Risk to the District. District Management's Risk assessments shall include, but not be limited to:
 - 4.1.1. Identifying potential hazards.

- 4.1.2. Evaluating the likelihood and extent of harm.
- 4.1.3. Identifying cost-justified precautions and implementing those precautions.

5. Control Activities.

5.1. Minimum Internal Controls. The District hereby establishes the following minimum Internal Controls to prevent and detect Fraud, Waste, and Abuse:

5.1.1. Preventive controls designed to forestall errors or irregularities and thereby avoid the cost of corrections. Preventive control activities shall include, but not be limited to, the following:

- 5.1.1.1. Identifying and segregating incompatible duties and/or implementing mitigating controls.
- 5.1.1.2. Performing accounting functions in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.
- 5.1.1.3. Requiring proper authorizations to access and/or modify accounting software.
- 5.1.1.4. Implementing computerized accounting techniques (e.g. to help identify coding errors, avoid duplicate invoices, etc.).
- 5.1.1.5. Maintaining a schedule of the District's material fixed Assets.
- 5.1.1.6. Maintaining physical control over the District's material and vulnerable Assets (e.g. lock and key, computer passwords, network firewalls, etc.).
- 5.1.1.7. Retaining and restricting access to sensitive documents.
- 5.1.1.8. Performing regular electronic data backups.

5.1.2. Detective controls designed to measure the effectiveness of preventive controls and to detect errors or irregularities when they occur. Detective control activities shall include, but not be limited to, the following:

- 5.1.2.1. Preparing financial reports in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.

- 5.1.2.2. Reviewing financial statements and investigating any material variances between budgeted expenses and actual expenses.
 - 5.1.2.3. Establishing and implementing periodic reconciliations of bank, trust, and petty cash accounts.
 - 5.1.2.4. Establishing an internal protocol for reporting and investigating known or suspected acts of Fraud, Waste, or Abuse.
 - 5.1.2.5. Engaging in periodic physical inventory counts and comparisons with inventory records.
 - 5.1.2.6. Monitoring all ACH (electronic) transactions and the sequencing of checks.
- 5.2. Implementation. District Management shall implement the minimum Internal Controls described herein. District Management may also implement additional Internal Controls that it deems advisable or appropriate for the District. The specific ways District Management implements these minimum Internal Controls shall be consistent with Generally Accepted Accounting Principles (GAAP) and otherwise conform to Governmental Accounting Standards Board (GASB) and American Institute of Certified Public Accountants (AICPA) standards and norms.

6. Information and Communication.

- 6.1. Information and Communication. District Management shall communicate to its employees (needing to know) information relevant to the Internal Controls, including but not limited to any changes to the Internal Controls and/or changes to laws, rules, contracts, grant agreements, and best practices.
- 6.2. Training. District Management shall regularly train its employees (needing the training) in connection with the Internal Controls described herein and promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

7. Monitoring Activities.

- 7.1. Internal Reviews. District Management shall internally review the District's Internal Controls at least once per year. In connection with this internal review, District Management shall:
 - 7.1.1.1. Review its operational processes.

- 7.1.1.2. Consider the potential risk of Fraud, Waste, or Abuse inherent in each process.
 - 7.1.1.3. Identify the controls included in the process, or controls that could be included, that would result in a reduction in the inherent risk.
 - 7.1.1.4. Assess whether there are Internal Controls that need to be improved or added to the process under consideration.
 - 7.1.1.5. Implement new controls or improve existing controls that are determined to be the most efficient and effective for decreasing the risk of Fraud, Waste or Abuse.
 - 7.1.1.6. Train its employees on implemented new controls or improvements to existing controls.
- 7.2. External Audits and Other Reviews. Audits and other reviews may be performed on various components of the District's Internal Controls by the Auditor consistent with Government Auditing Standards (GAS). Audits may identify material deficiencies in the Internal Controls and make recommendations to improve them. District Management shall communicate and cooperate with the Board and the Auditor regarding the potential implementation of Auditor recommendations.

Specific Authority: §§ 190.011(5), 218.33(3), *Florida Statutes*
Effective date: May 13, 2020

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

7

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
MARCH 31, 2020**

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2020**

	Major Funds			Total Governmental Funds
	General	Debt Service Series 2016	Capital Projects Series 2016	
ASSETS				
Cash (SunTrust)	\$107,814	\$ -	\$ -	\$ 107,814
Investments				
Revenue account	-	1,337,156	-	1,337,156
Reserve account	-	377,532	-	377,532
Prepayment	-	4	-	4
Construction account	-	-	1,068,368	1,068,368
Redemption	-	12,335	-	12,335
Undeposited fund	5,187	-	-	5,187
Due from other governments	6,186	19,976	-	26,162
Total assets	<u>\$ 119,187</u>	<u>\$ 1,747,003</u>	<u>\$ 1,068,368</u>	<u>\$ 2,934,558</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
Due to debt service fund	19,976	-	-	19,976
Due to other governments	4,778	-	-	4,778
Total liabilities	<u>25,754</u>	<u>-</u>	<u>-</u>	<u>25,754</u>
Fund balances:				
Restricted for:				
Debt service	-	1,747,003	-	1,747,003
Capital projects	-	-	1,068,368	1,068,368
Unassigned	93,433	-	-	93,433
Total fund balances	<u>93,433</u>	<u>1,747,003</u>	<u>1,068,368</u>	<u>2,908,804</u>
Total liabilities, deferred inflows of resources				
Total liabilities and fund balances	<u>\$119,187</u>	<u>\$1,747,003</u>	<u>\$1,068,368</u>	<u>\$ 2,934,558</u>

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND 001
FOR THE PERIOD ENDED MARCH 31, 2020**

	Current Month	Year to Date	Budget	% of Budget
REVENUE				
Special assessment: on-roll	\$ 2,293	\$ 138,433	\$ 128,715	108%
Special assessment: off-roll	5,187	15,560	42,299	37%
Interest & miscellaneous	4	53	265	20%
Total revenue	<u>7,484</u>	<u>154,046</u>	<u>171,279</u>	90%
EXPENDITURE				
Professional & administrative				
Supervisors	-	794	2,206	36%
Management and accounting	4,595	27,571	55,142	50%
Audit	-	6,575	6,575	100%
Legal	558	4,674	4,413	106%
Field management	778	4,670	9,339	50%
Engineering	-	1,087	2,206	49%
Trustee	-	2,372	4,413	54%
Dissemination agent	305	1,827	3,654	50%
Arbitrage	-	-	1,324	0%
Assessment roll preparation	-	10,591	10,591	100%
Telephone	29	171	342	50%
Postage	4	105	221	48%
Insurance	-	5,466	5,750	95%
Printing & binding	59	356	712	50%
Legal advertising	-	535	662	81%
Office expenses and supplies	-	-	110	0%
Website	-	311	622	50%
Contingencies	62	356	662	54%
ADA website compliance	-	88	177	50%
Annual district filing fee	-	154	154	100%
Total professional & admin expenses	<u>6,390</u>	<u>67,703</u>	<u>109,275</u>	62%
Water management				
Contractual services	4,235	21,176	50,747	42%
Aquascaping	-	-	2,206	0%
Contingencies	-	94	6,619	1%
Total water management	<u>4,235</u>	<u>21,270</u>	<u>59,572</u>	36%

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND 001
FOR THE PERIOD ENDED MARCH 31, 2020**

	<u>Current Month</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
Other fees and charges				
Property appraiser	-	664	685	97%
Tax collector	-	900	2,011	45%
Total other fees & charges	<u>-</u>	<u>1,564</u>	<u>2,696</u>	58%
Total expenditures	<u>10,625</u>	<u>90,537</u>	<u>171,543</u>	53%
 Excess/(deficiency) of revenues over/(under) expenditures	 (3,141)	 63,509	 (264)	
 Fund balances - beginning	 96,574	 29,924	 16,409	
Fund balances - ending	<u>\$ 93,433</u>	<u>\$ 93,433</u>	<u>\$ 16,145</u>	

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND 201 - SERIES 2016
FOR THE PERIOD ENDED MARCH 31, 2020**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Special assessment: on-roll	\$ 19,976	\$ 1,197,739	\$ 1,141,439	105%
Special assessment: off-roll	-	56,216	304,444	18%
Interest	1,596	6,341	-	N/A
Total revenues	<u>21,572</u>	<u>1,260,296</u>	<u>1,445,883</u>	N/A
EXPENDITURES				
Debt service				
Principal	-	-	730,000	0%
Interest	-	367,566	735,131	50%
Total debt service	<u>-</u>	<u>367,566</u>	<u>1,465,131</u>	N/A
Total expenditures	<u>-</u>	<u>367,566</u>	<u>1,465,131</u>	N/A
Net change in fund balances	21,572	892,730	(19,248)	
Fund balances - beginning	<u>1,725,431</u>	<u>854,273</u>	<u>821,551</u>	
Fund balances - ending	<u>\$ 1,747,003</u>	<u>\$ 1,747,003</u>	<u>\$ 802,303</u>	

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND 302 - SERIES 2016
FOR THE PERIOD ENDED MARCH 31, 2020**

	Current Month	Year to Date
REVENUES		
Interest	\$ 1,008	\$ 7,135
Total revenues	1,008	7,135
EXPENDITURES		
Total expenditures	-	-
Excess/(deficiency) of revenues over/(under) expenditures	1,008	7,135
Fund balances - beginning	1,067,360	1,061,233
Fund balances - ending	\$ 1,068,368	\$ 1,068,368

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

8

DRAFT
MINUTES OF MEETING
VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT

The Board of Supervisors of the Verandah East Community Development District held a Public Hearing and Regular Meeting on January 8, 2020 at 1:00 p.m., at the Verandah Sales Office, 11571 Verandah Blvd., Ft. Myers, Florida 33905.

Present and constituting a quorum were:

David Moore	Chair
Richard Shields, Jr.	Vice Chair
Mark Santasiero	Assistant Secretary
Jacqueline Voiles	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant Regional Manager
Alyssa Willson (via telephone)	District Counsel
Brent Burford	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mrs. Adams called the meeting to order at 1:00 p.m. Supervisors Moore, Shields and Santasiero were present, in person. Supervisor Truxton was present. One seat was vacant, due to the passing of Supervisor Kerpchar.

SECOND ORDER OF BUSINESS

Public Comments [3 minutes per person]

There being no public comments, the next item followed.

THIRD ORDER OF BUSINESS

Consider Appointment of Ms. Jacqueline Voiles to Fill Unexpired Term of Vacant Seat 3 (*Term Expires November, 2020*)

Mr. Moore nominated Ms. Jacqueline Voiles to fill vacant Seat 3.

No other nominations were made.

On MOTION by Mr. Moore and seconded by Mr. Shields, with all in favor, appointing Ms. Jacqueline Voiles to fill the unexpired term of vacant Seat 3; Term Expires November, 2020, was approved.

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A. Administration of Oath of Office to Newly Appointed Supervisor *(the following will be provided in a separate package)*

Mrs. Adams, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Ms. Voiles. She provided and briefly explained the following items:

- I. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- II. Membership, Obligations and Responsibilities**
- III. Financial Disclosure Forms**
 - a. Form 1: Statement of Financial Interests**
 - b. Form IX: Amendment to Form 1, Statement of Financial Interests**
 - c. Form 1F: Final Statement of Financial Interests**
- IV. Form 8B – Memorandum of Voting Conflict**

Ms. Willson instructed Ms. Voiles not engage with any other Supervisors regarding District business outside of the publicly-noticed Board meetings and urged Ms. Voiles to contact her with any questions about the public records or Sunshine laws.

B. Consideration of Resolution 2020-02, Designating a Chair, a Vice Chair, a Secretary, Assistant Secretaries, a Treasurer and an Assistant Treasurer of the District

Mrs. Adams presented Resolution 2020-02. The following slate of officers was nominated:

Chair	David Moore
Vice Chair	Richard Shields, Jr.
Secretary	Chuck Adams
Assistant Secretary	David Truxton
Assistant Secretary	Mark Santasiero
Assistant Secretary	Jacqueline Voiles
Assistant Secretary	Craig Wrathell
Treasurer	Craig Wrathell
Assistant Treasurer	Jeff Pinder

73 No other nominations were made.

74

75 **On MOTION by Mr. Moore and seconded by Mr. Kerpchar, with all in favor,**
76 **Resolution 2020-02, Designating a Chair, a Vice Chair, a Secretary, Assistant**
77 **Secretaries, a Treasurer and an Assistant Treasurer of the District, as**
78 **nominated, was adopted.**

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80

81 **FOURTH ORDER OF BUSINESS**

Public Hearing to Hear Public Comments and Objections to the Adoption of the Amended and Restated Rules of Procedure, Pursuant to Sections 190.11(5), 190.011(15) and 190.035, Florida Statutes (2019)

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88 **A. Affidavits of Publication**

- 89 • **Notice of Rule Development**

- 90 • **Notice of Rule Making**

91 The affidavits of publication were included for informational purposes.

92 **B. Consideration of Resolution 2020-03, Adopting Amended and Restated Rules of**
93 **Procedure; Providing a Severability Clause; and Providing an Effective Date**

94

95 **On MOTION by Mr. Moore and seconded by Mr. Shields, with all in favor, the**
96 **Public Hearing was opened.**

97

98

99 No members of the public spoke.

100

101 **On MOTION by Mr. Shields and seconded by Mr. Moore, with all in favor, the**
102 **Public Hearing was closed.**

103

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105

106 Ms. Willson stated that no changes were made to the Rules of Procedure since they
107 were presented at the last meeting. Essentially, the Rules allow for more streamlined District
108 operations and were updated to incorporate changes, in accordance with the Statutes.

109 Mrs. Adams presented Resolution 2020-03 and read the title.

110 **On MOTION by Mr. Moore and seconded by Mr. Santasiero, with all in favor,**
111 **Resolution 2020-03, Adopting Amended and Restated Rules of Procedure;**
112 **Providing a Severability Clause; and Providing an Effective Date, were adopted.**

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115 **FIFTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial
Statements as of November 30, 2019**

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118 Mrs. Adams presented the Unaudited Financial Statements as of November 30, 2019.
119 Mr. Adams responded to questions regarding on-roll versus off-roll assessments, the tax
120 collection process, the early pay 4% discount and the fiscal year time frame. The Financials
121 were accepted.

122
123 **SIXTH ORDER OF BUSINESS**

**Approval of October 9, 2019 Regular
Meeting Minutes**

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126 Mrs. Adams presented the October 9, 2019 Regular Meeting Minutes.

127
128 **On MOTION by Mr. Shields and seconded by Mr. Moore, with all in favor, the**
129 **October 9, 2019 Regular Meeting Minutes, as presented, were approved.**

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131
132 **SEVENTH ORDER OF BUSINESS**

Staff Reports

133
134 **A. District Counsel: *Hopping Green & Sams, P.A.***

135 Ms. Willson reported the following:

136 ➤ This week marks the beginning of the 2020 legislative session. She will be monitoring
137 any bill that impact the District and provide updates about any issues that may arise.

138 ➤ Following the October CDD meeting, Staff was contacted by the owner of the Club to
139 engage in preliminary discussions regarding possibly conveying the Club to the District. Staff
140 subsequently updated the District Management team and the Chairs of both the Verandah East
141 and Verandah West CDDs regarding the preliminary discussions.

142 ➤ The Club owner was reviewing options. Staff had not engaged in any further discussions.

143 Mr. Shields felt that residents must find it confusing that there is a Verandah
144 Community Association (VCA), a Club, a CDD and also an informal committee investigating Club
145 transition issues. Mr. Moore stated that the CDD Board is subject to Sunshine Laws whereas the
146 Transition Committee is not and there are no limits on their discussions. Mr. Adams stated, if

147 necessary, a Special Meeting could be scheduled, if anything arose. Discussion ensued. Mr.
148 Moore motioned to table the conversation to a future meeting.

149 Regarding the open seat, Mr. Moore noted that Mr. Kerpchar recently passed away and,
150 although Management was informed, the agenda did not mention why there was an open seat.
151 He asked for it to be included in the minutes. Mrs. Adams stated that the information would be
152 reflected in the minutes.

153 **B. District Engineer: *Johnson Engineering, Inc.***

154 Mr. Burford recalled discussion at a previous meeting regarding the Amblerwind Cove
155 Way requisition for utilities and a question regarding the stormwater system. He stated, that,
156 although a stormwater system is in place and complete, a requisition was not submitted yet.

157 **C. District Manager: *Wrathell, Hunt & Associates, LLC***

158 Mrs. Adams reported the following:

- 159 ➤ The Lake and Wetland contract expires May 31, 2020.
- 160 ➤ A response was pending regarding whether SOLitude would uphold the current price.
- 161 ➤ This would be a May agenda item.

162 The Board and Staff discussed the Solitude maintenance contract, going through the
163 Request for Proposals (RFP) process if Solitude increases the contract price and the budget.

- 164 • **NEXT MEETING DATE: May 13, 2020 at 1:00 P.M.**

- 165 ○ **QUORUM CHECK**

166 Supervisors Shields, Voiles and Moore confirmed their attendance at the May 13, 2020
167 meeting. Supervisors Santasiero and Truxton would not attend.

168

169 **EIGHTH ORDER OF BUSINESS**

Supervisors' Requests

170

171 There being no Supervisors' requests, the next item followed.

172

173 **NINTH ORDER OF BUSINESS**

Adjournment

174

175 There being no further business to discuss, the meeting adjourned.

176

177 **On MOTION by Mr. Moore and seconded by Mr. Shields, with all in favor, the**
178 **meeting adjourned at 1:38 p.m.**

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Secretary/Assistant Secretary

Chair/Vice Chair

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

9ci

WRATHELL, HUNT & ASSOCIATES LLC.

2300 GLADES RD, #410W
BOCA RATON FL 33431

Lee County FL – Community Development Districts

04/15/2020

NAME OF COMMUNITY DEVELOPMENT DISTRICT	NUMBER OF REGISTERED VOTERS AS OF 04/15/2020
Babcock Ranch	0
Bayside Improvement	2,849
Bay Creek	750
Beach Road Golf Estates	897
Bonita Landing	209
Brooks I of Bonita Springs	2,195
Brooks II of Bonita Springs	1,410
East Bonita Beach	39
Mediterra	429
Moody River Estates	1,131
Parklands Lee	500
Parklands West	542
River Hall	1,241
River Ridge	1,432
Stoneybrook	1,711
Verandah East	678
Verandah West	896
University Square	0
University Village	0
Waterford Landing	1,042
WildBlue	45

Send to: Daphne Gillyard gillyardd@whhassociates.com Phone: 561-571-0010

Tammy Lipa – Voice: 239-533-6329

Email: tlipa@lee.vote

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

9C11

VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2019/2020 MEETING SCHEDULE

LOCATION

Verandah Sales Office, 11571 Verandah Blvd., Fort Myers, Florida 33905

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 9, 2019	Regular Meeting	1:00 P.M.
January 8, 2020	Regular Meeting	1:00 P.M.
May 13, 2020	Virtual Public Meeting	1:00 P.M.
August 12, 2020	Public Hearing & Regular Meeting	1:00 P.M.